



**Statewide Small Business Council Meeting Minutes
November 21, 2008**

Civil Rights Building
1823 14th Street
Sacramento, CA 95811
Telephone: (916) 324-0449

Statewide Council Members Present

Calderon, Josie	MABPA (Alternate)
Camacho, Julian	HCA
Chavez, Chris	HCA
Garcia, Rodrigo	SHPE
Guerrero, Paul	CAL-SBE
Hassoun, Sam	GLA
Hou, Johnathan	ABA
Hunsaker, Debbie	GFACC
Keller, Marty	OSBA
LaCome, Diana	NCA
Lau, Eddy	AAAE, SFO
Llewellyn, Rebecca	WCOE
Molina, Jim	HCC(Alternate)
Patten, Ezekiel	BBA
Ramirez, Frank	CM (Alternate)
Yang, William	AAAE, Southern CA

Guests

Brewer, Brianna	HDR
Cabral, Miguel	P & A, SFOBB
Carter, Jim	MCM Construction
Cunningham, Lee	Bay Tank
Hernandez, Richard	SHPE
Masdeo, Dan	PB America's
Murphy, Gillian	CCCCO/CCCP/SBDC
Odessky, Rachel	SBTRC
Pucci, Ed	MCM Construction
Roessler, Mike	CCCCO-CCCP
Padilla, Pat	SFOBB
Wong, Samson	SBTRC

Caltrans Staff Present

Kempton, Will	Director, Caltrans
Fonseca, Olivia	Civil Rights
Ajise, Kome	District 10
Boulware, LaSonja	District 11
Carrington, Christine	District 11
Carroll, Patrice	DLA
Crosby, George	District 4
DeWatney, Bonnie	Civil Rights
Effinger, Robert	Construction
Frank, Angela	Civil Rights
Harris, Adrian	District 4
Hurtiz, Tracy	District 11
Jackson, Otis	District 7
Lashai, Parviz	DPM
Nesbitt, Oshayahda	District 4
Orso-Delgado, Pedro	District 11
Padilla, Robert	Civil Rights
Pulido, Lauren	District 10
Rettke, Megan	DPAC
Richardson, Nellie	District 11
Sartipi, Bijan	Director, District 4
Schimpf, Brenda	District 11
Shur, Cherri	District 11
Smelser, Jan	DPAC
Solano, Augusta	District 4
White, Brian	District 4

AGENDA ITEM 1 – Welcome/Introduction/Opening Remarks

Olivia Fonseca, Small Business Council (SBC) Chair called the meeting to order; welcomed Statewide Small Business councilmembers, Caltrans staff, and guests; all were asked to introduce themselves.

Director Will Kempton thanked MCM Construction and shared the previous discussion he had with Harry McGovern about utilizing small businesses on the contract. MCM did utilize small businesses in a big way. Director Kempton also stated District 4 (Oakland) helped tremendously and lead the way on how Districts should accomplish meeting small business participation goals. Director Kempton acknowledged and congratulated Councilmember Patten for being honored and mentioned in the Black Business News magazine. Director Kempton reported the state of the economy is troubling and gave an update on the Governor's plan for transportation. The Governor's plan is to accelerate \$2 billion on bond funded work. Additionally, an effort is underway to streamline the permit process in order to accelerate contracts in the 2009 calendar year.

The overall Disadvantaged Business Enterprise (DBE) participation for federal fiscal year 2008, which ended September 30, 2008, was 3.2 percent. Caltrans continues to wait for approval from the Federal Highway Administration (FHWA) on the proposed DBE Program Goal and Methodology. Caltrans is continuing to update DBE attainment data. Caltrans continues to look for ways to enhance race-neutral activities.

Director Kempton addressed his commitment to communicate with Roger Snoble, Executive Director, Metropolitan Transportation Authority (MTA) to express the need to involve small businesses on the I-5/405 project. Councilmember Lau thanked Director Kempton for making the commitment to communicate with MTA principals.

Councilmember Yang, remarked on the acceleration of projects and asked if Caltrans has a plan to streamline the Request for Proposal (RFP) process. Director Kempton indicated Caltrans is always looking for ways to streamline processes. As an example, Caltrans has assessed Orange County Transit Authority contract processes. Director Kempton noted when he became the Director in 2003; it commonly took 198 days to process an RFP contract. Now the process is down to about 70 days. Director Kempton mentioned he is currently working with Clark Paulson, Chief, Accounting Division to see how Caltrans can continue to process progress payments, when there is a budget impasse. Director Kempton closed, by sharing his discussion with Councilmember Camacho, wherein the remark was made that Caltrans needs to do something heroic to help small businesses. Caltrans will continue to take heroic actions. For instance, the Oakland Touchdown project was awarded at zero small business participation and now MCM has over 20 percent small business participation. The Disabled Veteran Business Enterprise annual goal for Caltrans is 5 percent, not 3 percent. Professional services contracts are attaining an overall 17 percent DBE participation.

Governor's Office of the Small Business Advocate (Sacramento) Marty Keller, Governor's Small Business Advocate

Mr. Marty Keller, Governor's Small Business Advocate, gave a brief overview of the Governor's Conference on Small Business and Entrepreneurship that was held on November 18-19, 2008. He passed out a copy of Policy Recommendations from the conference participants. Chair Fonseca stated the top 11 initiatives were similar to the SBC Committee action items. She also reported she received great feedback from conference participants on the Caltrans Procurement Fairs and the Mentor-Protégé programs.

Mr. Marty Keller, explained the idea of the Governor's Conference on Small Business and Entrepreneurship was to replicate what the White House has done, to help the small businesses of America. Governor Arnold Schwarzenegger was at the conference on the first day and challenged attendees to find innovative ways to help small businesses in the future. The conference was webcast and it is on the internet. Ten different areas of reform were discussed at the conference. Mr. Keller noted there are over 16,000 small businesses certified to do business with the state of California. He still sees procurement as a problem and invites Councilmembers, if interested, to add their names to a list of supporters of reforms which will be presented formally to Governor Schwarzenegger. Mr. Keller thanked Chair

Fonseca for attending the conference. For a summary and final list of the initiatives, go to the Small Business Advocate website: <http://sba.ca.gov/>

AGENDA ITEM 2 – Approval of Amended August 15, 2008, Meeting Minutes

Motion: Councilmember Lau
Second: Councilmember Patton
Approved by consensus.
Note to change Robert Pipelow to D59 on attendance sheet.

Approval of Amended September 19, 2008, Meeting Minutes

Motion: Councilmember Llewellyn
Second: Councilmember Hunsaker
Approved by consensus.

Approval of October 17, 2008, Meeting Minutes

Motion: Councilmember Chavez
Second: Councilmember Hunsaker
Approved by consensus.

AGENDA ITEM 3 – Award for MCM Construction

Councilmembers Guerrero and LaCome presented an award of appreciation to MCM Construction for their dedication to increasing small business participation on the Oakland Touchdown contract. Representing MCM Construction was Jim Carter and Ed Pucci who accepted the award and gave thanks.

AGENDA ITEM 4 – Title VI Presentation, Rita Nelson, Chief, Title VI

Due to time constraints, Chair Fonseca asked the Councilmembers to consider having the Title VI presentation postponed for the next meeting.
Motion from Councilmember Lau, to have the Title VI presentation at the January meeting.
Second from Councilmember Camacho.
Approved by consensus.

AGENDA ITEM 5 – District Updates

District 4 (Oakland) – Bijan Sartipi, District 4 Director

District 4 Director Bijan Sartipi announced Councilmember Camacho is now a member of the District 4 Small Business Council. District 4 has a very successful Construction Cal Mentor Program, 8 mentors and 17 protégés are participating in the mentor protégé program. Currently, 42 percent in emergency contracts were awarded to small businesses. Eighty-seven percent of the Minor B contracts are going to small businesses.

The November 4, 2008, Procurement Fair at the Port of Oakland, was attended by 150 buyers. Over \$1,022,742 million was procured at the fair.

Action Item:

Councilmember Camacho asked if the procurement fair information can be identified by ethnicity and the firm's zip code. In response, the procurement may be identified by DBE vs. SB certification. The SB certified firms are not identified by ethnicity; therefore, the SB ethnicity level of information is not available.

District 7 (Los Angeles) – Otis Jackson

District 7 had a very successful Architectural and Engineering (A&E) Fair; approximately 150 firms were in attendance. District 7 Director, Doug Failing spoke at the US Women's Chamber of Commerce. Assemblymember Curren Price is hosting a vendor fair and District 7 is participating. District 7 is hosting a SB/DBE Certification Workshop on December 16, with the City of Los Angeles to certify small businesses in the Crenshaw area. District 7 Director Doug Failing will be scheduling a meeting with MTA and some of the Statewide Caltrans SBC members.

Action Item:

Councilmember Guerrero mentioned the MTA meeting should include discussion on how MTA is complying with 49 Code of Federal Regulation Section 26.51. Councilmember Guerrero pointed to a DBE Plan document in hand that he questioned who authorized reference to Section 26.51 to still use the word "may" and not "must." Chair Fonseca explained she signed the document and she will amend the DBE Plan to ensure the correct regulatory language is referenced for Section 26.51.

District 10 (Stockton) – Kome Ajise, District 10 Director

The November 19, 2008, Procurement Fair was attended by 75 District buyers and multiple local governments. Approximately 50 vendors pre-registered and there were 10 walk-ins. Councilmember Chavez attended the Procurement Fair and said it was good, additionally; it was different from other Fairs he has attended. The District 10 Fair set up tables for the vendors to be approached by the buyers. The procurements will be tracked and reported at a future SBC meeting. The San Joaquin Valley Small Business Council (Districts 6 and 10) held their first A&E "Strengthening Partnerships Networking Fair" on October 28, 2008. Over 300 firms attended. The attendees' viewpoints were that the Fair was successful. Councilmember Lau reported he attended the Fair and he was impressed that the A&E principals showed up, shook hands and opened doors. Guest, Dan Masdeo shared his viewpoint on the Fair and said it was successful. Councilmember Camacho asked if A&E firms are provided written reasons why their proposal was not awarded. Jan Smelser responded; selection of an A&E firm is based on top score. The A&E firm is made aware of their final score. Debriefing are offered to the non-selected A&E firm. The Professional Services Committee has an action item on streamlining the selection and debriefing processes. District 10 has begun discussions on implementing a construction CalMentor program and will follow District 4 as an example.

Action Item:

*Councilmember Camacho requested a copy of the A&E Fair attendees.
Councilmember Patten requested a copy of the Procurement Fair attendees.*

District 11 (San Diego) – Pedro Orso-Delgado, District 11 Director

District 11 Director, Pedro Orso-Delgado announced the District held its first annual CalMentor A&E recognitions and awards. The District held two Mock Contract Workshop sessions. One session was on a Saturday, with over 60 firms in attendance and the weekday session had over 100 attendees. The Mock Contract Workshop session is a result of the Statewide SBC members request to provide District 11 small businesses with information on District contracting opportunities. Councilmember Chavez attended the Saturday session and was pleased with the information presented. Chair Fonseca attended the Saturday session. Robert Padilla, DBE Program Manager, recognized the staff in District 11 for the outstanding job they did on delivering the sessions.

The District 11 Procurement Fair will be held in March 2009 at Balboa Park. District 11 Director Pedro Orso-Delgado was happy to announce nearly 100 percent of Minor B contracts have been awarded to small businesses thus far.

AGENDA ITEM 6 – Statewide Committee Reports

Committees met the night before and discussed 2008 Action Items; refer to the Committee Action Item listing handout for the updates.

Commodities – Councilmember Patten reported

Two new action items were added:

- Assure Caltrans buyers that they may continue procurements with Procurement Fair vendors;
- Survey Procurement Fair vendors to determine how many continue selling to Caltrans after a Procurement Fair transaction.

Councilmember Lau indicated he heard the October 17, 2008, Department of General Services sponsored Procurement Pavilion lacked buyer support.

Construction – Councilmember Llewellyn, Chair

The committee closed some items and feels good about what was accomplished in 2008. Councilmember Llewellyn thanked Robert Padilla and Robert Effinger for all of their assistance.

Executive – Olivia Fonseca

The executive committee met with Director Kempton and discussed some of the existing Committee Action Items.

Local Agencies – Councilmember Guerrero, Chair

- Discussed the word “may” in reference to Section 26.51.
- Discussed Environmental Justice (EJ) and how local agencies do not know that EJ is required on all public works projects.
- Would like to have the people that implement environmental justice present at a SBC meeting.
- Would like to know why UC Berkeley, instead of Caltrans, is providing DBE Program training.
- Would like to review the training curriculum before the training is presented.
- Would like UC Berkeley to provide the DBE training to the SBC members.

Professional Services– Councilmember Lau, Chair

Thirteen people attended the meeting, four from DPAC and two from District 59. The committee wishes good luck to Jan Smelser, as she retires, and thanked her for her efforts. The committee appreciates District 59 for their participation in the Committee meeting and providing a Look Ahead report. New action items are:

- DPAC has set up a taskforce for the Professional Services selection criteria.
- Technology Transfer
- MTA meeting request as reported by District 7
- Bench contract and pre-qualifications
- The DBE supportive services contract should include Professional Services training workshops
- Provide Cognizant Audit options.

Supportive Services – Councilmember Garcia, Chair

A year-end report of the California Construction Contracting Program (CCCP) was distributed to the Council. The Council was asked to give feedback about the report to Peg Bergmann. Chair Fonseca, notes there needs to be some changes in the year-end report and actions are being taken to remedy the situation. Pat Padilla provided some clarifications on the report. She will work with CCCP to make the presentation. A new action item is:

- Request the CCCP to provide a presentation on the year end report.

AGENDA ITEM 7 – Public Comment/Good of the Order

Councilmember Hassoun distributed a flyer and schedule of free Joint Partnership training for small business. The event is co-sponsored with the AGC.

Meeting adjourned: 12:00 p.m.

Next meeting: January 16, 2009
District 11 Headquarters
4050 Taylor Street
San Diego, CA
8:30 a.m.-11:30 a.m.

Approved by:

OLIVIA FONSECA
Deputy Director, Office of Civil Rights
California Department of Transportation